

March 28, 2005

VIA HAND DELIVERY

Marlene H. Dortch, Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20024

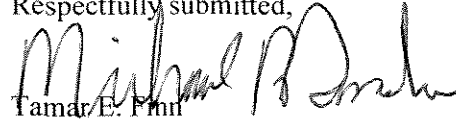
Re: In the Matter of the Application of KMC Telecom Holdings, Inc., KMC Telecom LLC, KMC Telecom II, LLC, KMC Telecom III, LLC, KMC Telecom of Virginia, Inc. and Telcove, Inc. Telcove Investment, LLC Telcove of Kentucky, Inc., Telcove Operations, Inc., and Telcove of Virginia, LLC, File No. ITC-T/C-20050302-00078 and WC Docket No. 05-90

Dear Secretary Dortsch:

On behalf of the Department of Homeland Security for itself and for the Department of Justice and the Federal Bureau of Investigation, and TelCove, Inc., Telcove Investment, LLC, TelCove of Kentucky, Inc., TelCove Operations, Inc., TelCove of Virginia, LLC, KMC Telecom Holdings, Inc., KMC Telecom LLC, KMC Telecom II LLC, KMC Telecom III, LLC and KMC Telecom of Virginia, Inc., enclosed please find an original and six (6) copies of a Joint Petition to Defer the above-referenced application.

Please date-stamp the enclosed extra copy, and return it to the undersigned. Please do not hesitate to contact the undersigned if you have any questions regarding this matter.

Respectfully submitted,



Tamar E. Phil
Kathleen Greenan Ramsey
Michael P. Donahue

Counsel for TelCove, Inc., TelCove Investment, LLC, TelCove of Kentucky, Inc., TelCove Operations, Inc. and TelCove Virginia, LLC

cc: Tracey Wilson-Parker
Terri B. Natoli
Susan O'Connell
James Bird
JoAnn Ekblad
Tina W. Gabbrielli

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of the Application of)	
)	
)	
KMC TELCOM HOLDINGS, INC.)	
KMC TELECOM LLC, KMC TELECOM II)	
LLC, KMC TELECOM III LLC, KMC)	
TELECOM OF VIRGINIA, INC.)	
)	File No. ITC-T/C-20050302-00078
And)	
)	WC Docket No. 05-90
TELCOVE, INC. TELCOVE)	
INVESTMENT, LLC TELCOVE OF)	
KENTUCKY, INC., TELCOVE OPERATIONS,)	
INC., AND TELCOVE OF VIRGINIA, LLC)	
)	
For Grant of Authority Pursuant to Section 214)	
of the Communications Act of 1934 and Sections)	
63.04, 16.18 and 63.24 of the Commission’s Rules))	
to Complete a Transfer of Assets of Authorized)	
International and Domestic Interstate Carrier)	
)	
)	

To: The Commission

JOINT PETITION TO DEFER

The Department of Homeland Security (“DHS”), for itself and for the Department of Justice (“DOJ”) and the Federal Bureau of Investigation (“FBI”), and TelCove, Inc. (“Buyer”), Telcove Investment, LLC, TelCove of Kentucky, Inc., TelCove Operations, Inc., TelCove of Virginia, LLC (collectively, not including the Buyer, the “TelCove Operating Companies”), KMC Telecom Holdings, Inc. (“KMC Holdings”), KMC Telecom LLC, KMC Telecom II LLC, KMC Telecom III, LLC and KMC Telecom of Virginia, Inc. (collectively, the “KMC Operating

Companies),¹ through concurrence respectfully request that the Federal Communications Commission (“Commission”) defer action on the above-captioned application pending attempted resolution of potential national security, law enforcement, and public safety issues.

This Section 214 application concerns the sale by KMC Financial, Inc. to the Buyer of certain of the 5ESS switches and related assets and network operations of the KMC Operating Companies. Following that transaction, certain of the KMC Operating Companies’ current customers will be transferred to Buyer who, through the TelCove Operating Companies, will become the service provider for those customers.²

TelCove and related entities have another Section 214 petition pending, WC Docket No. 05-43, for the transfer of control of Susquehanna Adelphia Business Solutions from Susquehanna Fiber Systems, Inc. to TelCove Holdings of Pennsylvania, Inc.

TelCove and related entities currently also have a Section 310(b)(4) petition pending, Application File No. ISP-PDR-2004115-00013. This 310(b)(4) petition seeks a Declaratory Ruling, *nunc pro tunc*, that TelCove’s foreign ownership is permissible with respect to certain LMDS and 39 GHz licenses. According to the 310(b)(4) Petition, TelCove is the successor to Adelphia Business Solutions, Inc. and has emerged from bankruptcy. TelCove is now a privately held company incorporated in Delaware with its headquarters in Canonsburg, Pennsylvania. TelCove currently provides business critical telecommunications services to enterprise companies and carriers in approximately 50 U.S. markets.

¹ The original petitioners and the government petitioners are hereafter collectively referred to as the “Parties”).

² The KMC Holding Companies also filed a joint application with CenturyTel Acquisition, LLC, on March 14, 2005, for the transfer of the KMC Holding Companies’ other 5ESS assets, operations and customers. This Petition does not affect that separately filed application.

Upon its emergence from bankruptcy protection on April 7, 2004, TelCove's debt was converted to equity. TelCove stated in the 310(b)(4) petition that 51.5% of its shares are either directly or indirectly foreign owned for purposes of that proceeding.

The *Foreign Participation Order*³ provides that, in evaluating proposed foreign ownership of U.S. common carriers, the Commission will continue to accord deference to the Executive Branch with respect to any national security or law enforcement concerns identified by Executive Branch Agencies in connection with a transaction.⁴ TelCove has held preliminary discussions with DHS on behalf of DHS, the DOJ and FBI (collectively referred to herein as the "Executive Agencies"), and understands that there may be law enforcement, national security, and public safety issues that the Executive Agencies want to review in connection with this Application, its other 214 Application and its 310(b)(4) Petition. TelCove and the Executive Agencies have filed Joint Petitions to Defer in the other two pending TelCove matters before the Commission.

Accordingly, in view of the foregoing, the Parties respectfully request that the Commission accept for filing the instant Petition to Defer with regard to the captioned

³ *In the Matter of Rules and Policies of Foreign Participation in the U.S. Telecommunications Market*, 12 FCC Rcd 23,891, ¶ 61 (Nov. 1997). The Commission gives consideration to concerns relating to national security, law enforcement, and public safety independent of any competitive concerns presented by the transaction.

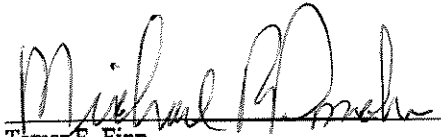
⁴ *Foreign Participation Order*, at ¶¶ 59, 63, *et seq.* See also 47 U.S.C. § 310(b)(4).

application and defer grant of the above-captioned application pending notification by the Parties
of the results of discussions to resolve the concerns addressed herein.

Respectfully submitted,

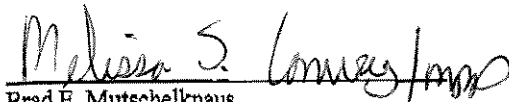


Tina W. Gabbielli
Director of Intelligence Coordination and
Special Infrastructure Protection Programs
Office of the Assistant Secretary for Infrastructure Protection
United States Department of Homeland Security
Nebraska Avenue Complex
Washington, D.C. 20528



Tamar E. Finn
Kathleen Greenan Ramsey
Michael P. Donahue
Swidler Berlin LLP
3000 K Street, N.W., Suite 300
Washington, D.C.

*Counsel for TelCove, Inc., TelCove Investment, LLC, TelCove of Kentucky, Inc., TelCove
Operations, Inc. and TelCove Virginia, LLC*



Brad E. Mutschelknaus
Melissa S. Conway
Kelley Drye & Warren LLP
1200 19th Street, NW, Suite 500
Washington, DC 20036
(202) 955-0600 (Tel)
(202) 955-9792 (Fax)
bmutschelknaus@kelleydrye.com
mconway@kelleydrye.com

*Counsel for KMC Telecom Holdings, Inc., KMC Telecom LLC, KMC Telecom II LLC,
KMC Telecom III, LLC and KMC Telecom of Virginia, Inc.*

Dated: March 28, 2005

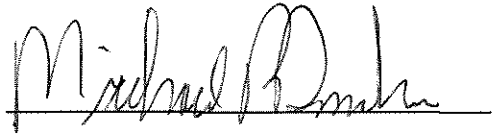
CERTIFICATE OF SERVICE

I, Michael P. Donahue , hereby certify that a true and correct copy of the foregoing Joint Petition to Defer was served on this 28th day of March on the individuals in the following list:

Delivered via Electronic Mail and First-Class U.S. Mail, Postage Prepaid:

Tracey Wilson-Parker
Terri B. Natoli
Susan O' Connell
James Bird
JoAnn Ekblad

Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20445

A handwritten signature in cursive script, reading "Michael P. Donahue", is written over a horizontal line.